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Ms. Marlene H. Dortch Secretary **Federal Communications Commission** 445 12th Street SW Washington, DC 20554

> Re: Promoting Investment in the 3550-3700 MHz Band - GN Docket No. 17-258

Written Ex Parte Notice

Dear Ms. Dortch,

The Blooston Rural Carriers are a diverse group of small businesses and rural telephone company-affiliated entities that provide local exchange telephone, broadband, and competitive wireless services to consumers and businesses in America's heartland. In comments and reply comments in the above proceeding, the Blooston Rural Carriers have advocated that a reasonable split of census tract and county-based licensing for 3.5 GHz Band Priority Access Licenses ("PALs") would promote investment, innovation and meaningful competition from hundreds if not thousands of smaller service providers and entrepreneurs, regardless of whether the spectrum is used to support 4G or emerging 5G services. The Blooston Rural Carriers continue to believe that adopting county-based licensing for five (5) of the PALs and retaining census block licensing for two (2) PALs would be an optimal plan to promote investment and maximize opportunities for both large and small service providers and private network operators.

See Comments of the Blooston Rural Carriers, GN Docket No. 17-285 (filed December 27, 2017); Reply Comments of the Blooston Rural Carriers, GN Docket No. 17-285 (filed January 29, 2018).

A recent ex parte filing by the Competitive Carriers Association ("CCA") and CTIA offered a "compromise proposal" for PAL licensing that would make PALs available using Metropolitan Statistical Areas (MSAs) in the top 306 Cellular Market Areas (or "CMAs") and use counties as the basis for geographic area PAL licensing in the remaining 428 CMAs.<sup>2</sup> While the Blooston Rural Carriers strongly favor the availability of county-based geographic PALs in the smaller CMA markets instead of Partial Economic Area (or "PEA")-sized PALs, counties will also make it easier for incumbent wireless carriers to "cherry pick" the more desirable RSA counties, and preclude opportunities for local businesses to obtain PAL rights for targeted projects where greater interference protection rights are needed. For this reason, it is vitally important that the FCC retain census tract-based licensing for at least some PALs.

In developing its "tiered access" licensing scheme for CBRS, the Commission and 3.5 GHz stakeholders found that a "building block" approach with short license terms and census block-sized PALs would allow licensees to tailor their service areas to their business plans and to fill in with shared General Authorized Access (or "GAA") use where the operator did not need or was not able to secure PAL rights. Census tract-sized licenses would encourage bidding for PAL rights only in areas where the bidder expected to deploy service *immediately*. Not all 3.5 GHz deployments are going to require wide area PAL rights, and the ability to obtain PALs in smaller targeted areas will allow small and rural service providers, as well as companies that seek to self-provision 4G and/or 5G services, to more efficiently allocate limited resources. The Blooston Rural Carriers urge the Commission not to lose sight of these previous findings, which will make the 3.5 GHz band a desirable target for small carriers, entrepreneurs and wireless internet service providers (WISPs), as well as nationwide incumbents. Geographic partitioning and secondary market leasing of PAL rights should be permitted for county-sized licenses, to provide maximum flexibility in operating arrangements, but partitioning should not be viewed as a substitute for making at least some census tract-based PALs available for bidding in all geographic areas.

The Blooston Rural Carriers join a broad range of stakeholders in calling for a reasonable mix of 3.5 GHz geographic PALs that will promote investment and meaningful initial licensing

<sup>&</sup>lt;sup>2</sup> April 20, 2018 Ex Parte letter from CCA and CTIA, GN Docket No. 17-285 ("CCA/CTIA Ex Parte Proposal")

opportunities for small and rural carriers as well as entrepreneurs and other new entrants; and to this end, the Blooston Rural Carriers stand by their proposal for 5 county based PAL license blocks and 2 census tract PAL license blocks. If the Commission wishes to implement that licensing approach only in the markets below the top 306 MSAs, for the sake of reaching a consensus based on the CTIA-CCA proposal, the Blooston Rural Carriers would not object to such compromise.

Respectfully submitted,

THE BLOOSTON RURAL CARRIERS

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Their Attorneys